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THE NORTHERN TERRITORIES DISPUTE: A CLOSER LOOK

BY

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A PAPER SUBMITTED TO THE FACULTY
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ABSTRACT

TITLE: The Northern Territories Dispute: A Closer Look

AUTHOR: Clarence A. Johnson, Lieutenant Colonel, USAF

The Russians and the Japanese are the only two major powers who were adversaries in World War II and have yet to sign a peace treaty. The major obstacle to progress toward a peace accord is their almost 45-year old dispute over a portion of the Kurile Island chain Japan refers to as its "Northern Territories". With so much at stake, it is difficult for this writer to understand why there are not greater attempts on both sides to bring this territorial dispute to resolution. Evidently, there are strong feelings on both sides. The global community is evolving and a peaceful relationship between these two countries will play an important part in how that evolution occurs. It is high time that this difficult issue receives proper attention and Russia and Japan undertake serious negotiations to resolve it.

BIOGRAPHICAL SKETCH

Lieutenant Colonel Johnson is a student at the Air War College, Maxwell AFB, Alabama.

Colonel Johnson was born August 23, 1949, in Greenville, Mississippi. After graduating from high school there in 1966, he attended Tuskegee Institute, Alabama, earning a bachelor's degree in biology in 1970. After teaching and coaching three years in Mississippi high schools, Colonel Johnson entered the Air Force through the Officer Training School (OTS), Lackland AFB, Texas, receiving his commission in January 1974. He graduated from Squadron Officer School and Air Command and Staff College, both located at Maxwell AFB, Alabama, in 1978 and 1986, respectively. He completed the National Defense University National Security Management Course in May 1987. Colonel Johnson earned a master's degree in industrial psychology and human relations from Webster University, St. Louis, Missouri, in 1983.

After completing OTS, Colonel Johnson entered navigator training at Mather AFB, California. In 1975, he was assigned to C-141s at Charleston AFB, South Carolina, where he also later served as a wing mission scheduler.

Colonel Johnson's later assignments included: Air Staff Training at the Pentagon, Washington, District of Columbia, 1980-1981; Command Briefing Team and Plans Officer, Military Airlift Command, Scott Air Force Base, Illinois, 1981-1985; Squadron Air Officer Commanding and Deputy Group Air Officer

Commanding, Air Force Academy, Colorado, 1986-1989; and Commander, 3516 USAF Recruiting Squadron, New Windsor, New York, 1989-1992.

Colonel Johnson is a master navigator with over 2,400 flying hours in T-29, T-43, and C-141A/B aircraft. He assumed the rank of lieutenant colonel on March 1, 1990.

Colonel Johnson is married to the former Gloria J. Webster of Greenville, Mississippi. They have one daughter (Joi) and two sons (Clarence and Daniel).

Colonel Johnson developed an interest in the Japan-Russia territorial dispute during his study of East Asia in the Air War College East Asia Regional Studies Analysis Course.

THE NORTHERN TERRITORIES DISPUTE: A CLOSER LOOK

Overview

The major obstacle to improved relations between Moscow and Tokyo is the long-standing dispute over a small group of islands located between Japan's northern Hokkaido Island and Russia's Kamchatka Peninsula. The territories in question, two islands in the southern Kuriles and two others off Japan's northeast coast, are claimed by both governments but have been occupied by the Soviets since World War II. As the Russians currently face severe economic woes and Japanese economic aid could assist Russia's internal stability, many wonder why the two governments still cannot resolve this matter to the benefit of both countries. This paper will relate the history of the Northern Territories dispute, attempts made at settling it, and factors that have impeded progress toward a resolution. The paper will also outline views of other major Asia-Pacific players, propose actions the participants might take to get negotiations moving forward, and offer possible solutions to the dispute that has prevented a peace treaty between two of the world's major powers.

Historical Review

The history of this dispute to date is necessary to appreciate the views of both sides. The Russians and Japanese have signed three peace treaties that delineated ownership of the disputed islands. In 1855, the Treaty of Commerce defined the

Russo-Japanese border between Etorofu and Urup islands in the Kurile chain, while Sakhalin Island became jointly owned (map attached). In 1875, they signed the Treaty of St Petersburg, and Japan gave up rights to southern Sakhalin in return for territorial rights to the Kurile Islands. It is important to note here that in these two treaties, the term Kurile Islands referred only to the islands from Urup northward. This is noteworthy because the Japanese claim rests partly on the premise that Etorofu and Kunashiri (now the southern Kuriles) were not historically considered part of the Kuriles and, along with Shikotan and the Habomais, have never belonged to any country other than Japan. In 1905, following the Russo-Japanese war, Japan regained the southern half of Sakhalin, with no change in the Kuriles' status. Thus, prior to World War II, the entire Kurile chain, Shikotan, the Habomais, and southern Sakhalin Island were under Japanese control.¹

In April 1941, after World War II had begun, Japan and the Soviet Union signed a Neutrality Pact, which was to last over four years and uphold their friendly relations and respect for each other's sovereignty. However, after the Japanese bombed Pearl Harbor, the allies pressured Stalin to join them against Japan. At the Yalta Conference in 1945, Stalin agreed to do so, and he then outlined the conditions under which the Soviets would join the Pacific War. The agreement reached was that the southern half of Sakhalin Island and the Kurile Islands would be returned to the Soviet Union, because Japan would "be expelled from all

territories it had taken by violence and greed".² At the end of World War II, the Soviets occupied and controlled the Kuriles; in February 1947 the territories were incorporated into the Soviet Republic; and by 1949 there were no Japanese left on the island. The Soviets now controlled what the Japanese continue to refer to as "the Northern Territories", a title the Soviets disregarded. In the San Francisco Peace Treaty of 1951 (to which the Soviets were not a signatory) Japan renounced its claim to the Kurile Islands and to that portion of Sakhalin it took following the Russo-Japanese War in 1905.³

Since the Soviets took control of the Kuriles, Tokyo and Moscow, of course, have maintained differing viewpoints. The Japanese argue that the Soviets declaring war on them in World War II violated their 1941 Neutrality Pact. They also insist that the Northern Territories have always belonged to Japan and cannot be included in the pre-World War II declaration of territories "taken by violence and greed". Further, they argue that neither the Yalta Agreement nor the San Francisco Peace Treaty define the geographical limits of the Kurile Islands, which they were required to surrender. Their point is that the 1855 and 1875 treaties defined the Kuriles as excluding Kunashiri and Etorofu. Finally, they don't believe the 1951 San Francisco Peace Treaty gives the Soviets control of the territories, because the Soviets did not sign and ratify the treaty.⁴

On the other hand, Moscow bases its claim on the pre-World War II declarations, the Japanese surrender at the end of the war,

and the 1951 San Francisco Peace Treaty. Declarations before the war (Cairo and Yalta) and at Japan's surrender limit Japan's territory to their four main islands. In the San Francisco Treaty, Japan renounced all claim to the Kuriles, and there was no distinction made between the northern and southern Kuriles. Thus, the Russians consider Kunashiri and Etorofu as part of the Kuriles; and they insist that the USSR not being a signatory to the San Francisco Treaty is a moot point, since Japan relinquished the Kuriles, and earlier agreements had already given the Soviets control of the entire Kuriles, Shikotan, and the Habomais.²

Attempts at Progress

In the 1950s, the Japanese attempted to resolve the northern territories dispute and to terminate the formal state of war with the Soviets. They were close to a compromise in 1956. Japan's initial negotiating position was that Shikotan and the Habomais would be returned to them, and further agreement on the southern Kuriles could wait until after a peace treaty was signed. The Soviet's position was to return Shikotan and the Habomais after signing a peace treaty. In their response to the Soviet's counter offer, the Japanese changed their minimum claim to include southern Kuriles, and they proposed that ownership of Sakhalin and the northern Kuriles be later determined in an international conference. Japan's increased demands on the Soviets were largely a result of pressure from the US, which did not favor Japan-USSR peace prospects. The Soviets did not accept the new conditions; they even demanded removal of US troops from Japan in return for

giving back Shikotan and the Habomais. Japan was unwilling to risk its security relationship with the US, and the Soviet Union declared the issue closed.⁴

Since the mid-1950s, there has not been much movement toward settling the dispute. Actually, the Soviets inflamed Japanese public opinion during the 1960s and 1970s when they strengthened Soviet military bases on the disputed islands and established an "Exclusive Economic Zone".⁷ There were small steps forward when in his visits to Japan in 1986 and 1988, Soviet Foreign Minister Shevardnadze hinted that the Soviets were at least willing to discuss the issue. Later, looking for a way to get the USSR to benefit from the expanding economies in the Asia-Pacific region and particularly for Japanese aid and investment, Soviet President Gorbachev visited Japan in 1991--the first such visit of a Soviet head of state since 1917. Just prior to Gorbachev's visit, there were hints that the Soviet's view was relaxing to a point where they were willing to give back Shikotan and the Habomais and discuss the future of Kunashiri and Etorofu later. The Japanese, recognizing the Soviet's economic woes and emerging political instability, made it known that any major aid to the USSR would come after the entire Northern Territories were returned.⁸ Thus, Gorbachev's visit did nothing to resolve the issue. An apparent breakthrough came early in Yeltsin's government when the Russian President sent a letter to the Japanese Prime Minister linking a settlement of the dispute to Japanese aid. Japan, in return, signaled its flexibility in a statement in Japanese newspapers.

The statement suggested that Shikotan and the Habomais could be handed back first; and for a time, Russia could continue to administer the other two islands, with agreement that Japan's sovereignty over all four islands was acknowledged.⁹ Yeltsin's planned visit to Japan in September 1992 to discuss Japanese aid to Russia and the territorial dispute was cancelled.

Progress toward a settlement has been slow, though resolving the dispute would be in the best interest of both countries. Since President Nixon's 1971 visit to Beijing, the Soviet government became increasingly concerned about a possible anti-Soviet alliance between Tokyo, Washington, and Beijing. Thus, for strategic reasons, Moscow wants a closer relationship with Tokyo. Moscow is also anxious to gain access to Japanese trade, investment, and technology and wishes to establish long-term economic agreements in the Pacific. Indeed, Russia is fully aware that if it is to benefit from East Asia's economic dynamism, some alignment with Japan is a prerequisite. It would also serve Japan's interest to improve relations with Moscow. With Russian military forces so close to its borders and with the lack of a peace treaty, Russia is the greatest threat to Japan's security. Additionally, Japan has long-term economic interest in gaining access to huge natural gas, oil, and pulpwood resources in Siberia and Sakhalin and in regaining its traditional rich fishing resources north of Hokkaido Island.¹⁰ Despite such apparent mutual gains, positive negotiations have not proceeded.

Constraints to a Resolution

Constraints to progress are largely political. Moscow is concerned that return of all or some of the territories might set a precedent for other territories occupied by the Soviet Union. Any concessions to Japan could impact on Russia's still unresolved disputes with China. Though President Gorbachev made major territorial concessions to North Korea and China in the mid-1980s, increasing unrest in parts of the USSR halted such concessions. Since then, political change has continued and further constrained the possibility of acquiescing to the Japanese. Russian leadership now pays much more attention to public opinion, which is adamantly opposed to relinquishing the islands.¹¹ This opposition is particularly strong among Kurile Island inhabitants, who expressed in a 1989 Sakhalin Communist Party Council poll an 88% disapproval rating for returning the Kuriles to the Japanese. Further, a congress of people's deputies in the Republic of Russia adopted a new administrative resolution in 1990 which declares that the republic's territorial sovereignty cannot be altered without the consent of the people, determined by majority vote in a regional referendum.¹² Expressions such as these were evidence of the rising conservative nationalistic forces that contributed to President Yeltsin's move to cancel his September 1992 visit to Japan. Russian liberals had been pushing Yeltsin to reactivate the 1956 agreement to return Shikotan and the Habomais, but the conservatives opposed the surrender of any territory.¹³

In Japan, political forces have similarly stymied progress. Nationalists continue to press the ruling Liberal Democratic Party (LDP) to exploit Russia's current chaos to force return of all the Kurile Islands. However, while there are many LDP members who believe the Japanese should not take this hard-line approach during this crucial period for Russia, they are afraid to speak out for fear of being called unpatriotic.¹⁴ Another view perceives Moscow's unyielding position as having political advantage for conservative and pro-American Japanese. Russia's continued presence on the islands (with increasing military forces over the last decade) and Moscow's hard-line approach maintain the validity of the Russian threat. This, in turn, helps soften public opinion about increases in the defense budget, which helps ease US criticism that Japan needs a greater share in its defense burden. Spending increased amounts to purchase more US military hardware also helps reduce the US trade deficit with Japan. Thus, with the status quo, the US-Japanese relationship is enhanced.

The strategic importance of the disputed territories has also constrained progress. From a geopolitical standpoint, Russian ownership has meant an extension of their power into Northeast Asia and the Pacific. The Japanese remain fully aware of the potential Russian threat and the vulnerability of Hokkaido Island. Also, the Kuriles are strategically located to effectively interdict air and sea lanes of communication between Northeast Asia and the US. From a naval perspective, the Kuriles protect the southern gateways from the Sea of Okhotsk to the Pacific Ocean

and provide secure passage for ships and submarines to and from the Pacific. Missile-firing submarines deployed in the Sea of Okhotsk are heavily defended and can reach targets in the US.¹³ With their buildup of air and ground forces on the islands, the Russians now have platforms for sophisticated electronic surveillance; fighter aircraft for air superiority, interdiction, and anti-naval operations; and Russian bombers could stage from the Kuriles and operate throughout the North Pacific. If the Russians wanted to launch a ground assault on Japan or seize land close to important maritime straits, the proximity of the Kuriles to Hokkaido enhances success. Finally, the Kuriles provide an excellent vantage point for gathering intelligence on Japan or the US Seventh Fleet.¹⁴

Economic issues have further precluded progress on the territorial dispute. The Kuriles are bounded by rich fishing waters, which have grown in importance to the Soviets because of their reduced catches since the 200-mile economic zones were imposed.¹⁵ Additionally, displacement of the 25,000 or so Russian inhabitants on the islands would not only add to Russia's food lines, it would reduce already sparse food quantities, since the Kuriles provide a significant contribution to Russia's seafood supply.¹⁶ Also, the mineral and resource potential of the Kuriles (including titanium, sand, sulfur, and sulfide deposits) is a benefit the Russians do not desire to lose.¹⁷ There is at least one other issue on Moscow's agenda to seek economic benefit from the Kuriles. In September 1992, Russian officials confirmed that

687 acres on the coast of Shikotan had been leased to a Hong Kong company. The company is planning to build a tourist complex, with a casino and race track included, and market it to East Asian travelers.²⁰ Can seeking and obtaining capital investment from Taiwan or Hong Kong for other industrial development be far behind?

Views of Other Major Players

The resolution of this dispute is of definite interest to other major players in the Pacific Rim, particularly the US and China. The US position on this issue, however, has been one of apparent inconsistency and neglect. There are dissenting views on President Roosevelt's motivation and rationale for handing over the Kuriles to Stalin in exchange for Soviet participation in World War II against the Japanese. One view maintains that the US president awarded the disputed islands to Stalin mistakenly. This view implies that Roosevelt was unaware that Stalin's claim that Japan had earlier taken the territory "by violence and greed" was misleading. In other words, Joe duped FDR. This view also insists that when Roosevelt traveled to the Yalta Conference, the State Department failed to provide him with pertinent detailed memos on territorial questions in the Far East. The memorandum outlining the geography, economy, and history of the Kuriles was apparently left out of Roosevelt's briefing book.²¹ The other view of Roosevelt awarding Stalin the Kuriles indicates that FDR had sound rationale for placing the Kuriles under Soviet domination. This view holds that when it came to balancing Soviet

and Japanese competing interests, Roosevelt chose to satisfy Soviet security interests, part of building a working relationship with Stalin that would survive after the war. Roosevelt also wanted to surround defeated Japan with military bases; hence, the USSR gets the Kuriles regardless of legal title and sovereignty rights. Whatever Roosevelt's motivation, the fact remains that he willingly accepted Soviet control of the Kuriles, and from Yalta (February 1945) to the Soviet occupation of the Kuriles (August 1945), no significant objections from State or JCS surfaced.²²

The US decision to defend Japan and mounting Cold War tensions in the early 1950s contributed to reversed US thinking about the Soviet occupation. Navy war planners feared that at the outbreak of hostilities, Russian submarines would operate undetected in the Pacific and prey on Allied shipping lanes. In the early to mid-1950s, the Soviets enhanced their military capabilities and by 1954 had built up air bases on the Kuriles. Meanwhile, the US sought circumvention of the Yalta and subsequent agreements, but the Soviets did not change their policies toward the islands. And when Japanese officials attempted to settle the dispute in 1956 by agreeing with the Soviets that only Shikotan and the Habomais could be returned to them, US pressure for them to demand all the islands be returned led to the stalemate that has persisted to this day.²³ The US has continued to support Japan's claim to its Northern Territories, though the US has provided no direct assistance in helping Japan to resolve the issue.

China's view on the Northern Territories dispute has similarly swung from support for the USSR shortly after World War II to later (and since) support for Japan. China first took a position favoring the Soviets just as the Chinese Communist volunteers prepared to enter the Korean War in 1950, believing that the US sought to use the territories as an "aggression base".²⁴ For the next decade or so, Peking backed Moscow's position. However, by 1964, with deteriorating Chinese-Soviet relations, China pleased Tokyo and angered Moscow with a sudden reversal of its position. Apparently, Peking perceived that Japan's claim for Soviet-occupied territory was tied to territorial grievances China also faced with the Soviets. Like Japan, China was not satisfied with the status quo. Thus, it used the Northern Territories issue not only to voice its complaint against Soviet control of territory along the Ussuri River on the Sino-Soviet border, China also hoped to gain favor from Japan in China's claim on Taiwan.²⁵ Because of China's territorial disputes with its neighbors, particularly so with Russia, a resolution of the Northern Territories issue favorable to Japan could have great implications also for China.

Whose Move?

Now is the time to resolve this difficult issue, and to do so, the primary players must each focus their energies, put aside selfish differences, and get negotiations on track. First, the Japanese need to become less intransigent and initiate bilateral economic relations with Russia. Certainly, the 6-7 countries, of

which Japan is a participant, are already providing multilateral support. But, Japan must on its own take a greater role in assisting in Russia's economic development. Japan has as much at stake as any other world power in the success of a market economy and political democracy in Russia, and serious Japan economic assistance would enhance success toward those ends. The perceptions many Russian citizens have of the Japanese contribute in large measure to Moscow refusing to give up the Kuriles. Japan's economic help that would assist at the grassroots level would only raise Russian citizens' opinions of the Japanese. There are already some Far East Russians who see Japan as the answer to their economic troubles. With peristrioka came much nationalist identification, and there is a prevalent joke that a certain Russian republic gets permission from Moscow to have political sovereignty for one day. It would immediately declare war on Japan and just as quickly surrender, so Japan can annex it.²⁴ Regardless of the truth of this, Japanese assistance to the Russians will demonstrate Japan's willingness to abandon its strong position and help alleviate fears many of the Russians still hold. Providing direct financial governmental aid and encouraging Japanese industry to invest more in Russia would soften the stubbornness of Russian citizens and provide Russia's leadership some flexibility on this issue.

Japan could also become more enthusiastic about Asian security concepts and confidence-building measures the Soviets advocated in the Brezhnev era. When Brezhnev first proposed the

issue of Asian collective security, no nation in the Asia-Pacific region warmed up to the idea.²⁷ But, as East-West tensions have relaxed, the time is right for greater strides toward further easing tensions in the Asia-Pacific region. Global economic prosperity will depend on that region's stability, and Japan's leadership will be highly instrumental in promoting the region's peace and security. Any initiative Japan shows in its dispute with Russia will give other area countries confidence in Japan's role and leadership.

Russia could also demonstrate some cooperation in resolving the Kuriles issue. The Soviets' refusal to enter negotiations from 1956 to Gorbachev's presidency was largely a result of the US-Japan security arrangement. The Soviets were obviously concerned over the strategic implications of returning the islands, assuming Japanese control would deny the Soviet Navy access to the Sea of Okhotsk and remove Soviet military bases from the Kuriles. These are understandable concerns from a Cold War perspective, but now is the time for new thinking to evolve. Gorbachev was on the right track before the USSR dissolved. His government's view, expressed in a 1989 ministerial meeting, was:

"The Soviet position on the US-Japan Security Treaty remains unchanged. We are opposed in principle to the stationing of foreign troops in any country. What is important at the same time, however, is that insofar as Soviet-Japanese relations are concerned, the Soviet Union considers it possible to start negotiations on a Soviet-Japanese peace treaty and conclude the treaty."²⁸

Gorbachev's visit to Japan was also a positive step. No concessions were made on either side during his visit, but at

least a Soviet leader acknowledged the existence of a territorial dispute, discussed the disputed islands by name, and proposed measures be taken to permit visa-free Japanese visits to the islands.²⁹

Since Gorbachev's presidency, the Russians have asserted that the bottleneck in negotiations is Japan's insistence on making the return of the islands a precondition for improved bilateral relations (and thus, economic aid to the Russians). This understandably should slow down the negotiations from Russia's viewpoint, but it does not prevent Russia from taking actions on its own that would demonstrate its own softening. It is discouraging when the nationalistic forces that led to President Yeltsin cancelling his Japan visit take such a strong position against any moves toward negotiations. When a people's deputy from Sakhalin proposed in 1989 joint USSR-Japan management for rapid economic exploitation of the islands using Japanese capital, the Russian nationalist position was, "nobody can sell our sacred fatherland to the Japanese."³⁰ Sacred fatherland? On the other hand, it is encouraging to see the Russian government take small steps favorable to Japan. Last December 8, President Yeltsin signed an order creating a special economic zone on the Kuriles; many restrictions on foreign business that set up shop are already removed, and some of the controls on hard-currency transactions will be eased.³¹ But the Russians can go even further. Dusting off the 1956 proposed agreement and selling the benefits of negotiations to the Russian public would prove helpful.

Restarting Gorbachev's initiatives, opening the islands even more to outside economic development, and slowly removing military troops from the Kuriles are but a few other actions Russia's leadership can take to improve the environment for negotiations. Strong political leadership will be necessary to build consensus among Russian citizens to relinquish any of the islands to Japan. Now is the time to move. Since the end of the Cold War, Russia has worked to improve relations with previous Cold War adversaries (the US and South Korea, for example). The same attention needs to be focused on this dispute with Japan.

No dispute of this magnitude, however, can achieve amiable results without a "middle man". The US played a significant role in getting this dispute started--recall President Roosevelt's "mistaken" actions at Yalta and US pressure in 1956 that prevented the Japanese from acquiescing to a Soviet proposal. Similarly, the US must take an active role in settling this dispute. Without direct US involvement, only limited interaction can be expected from Russia and Japan, and normalization, if it occurs at all, will proceed too slowly. The global community cannot afford this dispute to drag on another 45 years. The economic (and thus, political) security of east Asia, determined largely by Japan's economic strength and its peaceful coexistence with its neighbors, could hinge on progressive Japan-Russia relations. Japan has the economic wherewithal to tap the potentially abundant resources of Russia, and Japan's economy could stand a boost from economic gains that could be realized. And, of course, Russia's economic

(and political) success, which would greatly enhance stability in North and East Asia, will need Japan's aid and investment. But in spite of the long-term rewards both countries would realize, it will take direct US involvement to move negotiations forward more rapidly. The US is the only country with the authority and respect needed to make both Russia and Japan feel that by resolving the Northern Territories issue, they create a situation which is not only good for each country, but is beneficial to the world community, of which they are integral parts.

Certainly, the US would benefit from a settlement of this crucial issue. With post-Cold War reductions in political and security-related tensions in US-Russia relations, now is the opportune time for furthering US national interests in the region. US enduring national objectives include, "global and regional stability which encourages peaceful change and progress...open, democratic, and representative political systems worldwide...and an open international trading and economic system."³² A peaceful Japan-Russia relationship contributes to the fulfillment of those objectives. Also, direct US involvement in resolving this dispute would enhance US-Russia relations. This would promote further relaxation in US-Russia military tensions, particularly in relation to the security of Japan. It would also add impetus to global nuclear weapons nonproliferation, since the Russians will have less of a need for economic benefit from selling nuclear arms and technology on the open market, with

economic gains from peace with Japan. It could further strengthen the US' economic posture as it gains greater access to an evolving Russian market economy. Additionally, US assistance in solving this long-standing problem could lead to a redefinition of the US-Japan security arrangement. Japan-Russia peaceful relations would strengthen the US position on Japan taking a greater military role in the security of itself and East Asia. This could lead to an expanding Japanese military with the US supplying many of its arms. In total, direct US involvement in resolving this issue could be beneficial economically, militarily, and politically and boost US credibility as the ranking superpower.

Possible Solutions

In consideration of the historical aspects of this problem and those factors that constrain progress, there are several possible solutions to this long-term dispute. The least likely is that the Russians will relinquish the territories entirely or that the Japanese will concede their claims. If the Russians give in completely, certainly Russian people and military forces on the islands would be replaced by those of Japan. With the strategic value of the Kuriles to the Russians and the resultant political impact, total Russian acquiescence is unlikely. Similarly, Japanese pride will combine with political forces to insure there is no total concession on Japan's part. Moscow holds the cards, but Russia's economic problems, its desire to play a greater role in the Pacific, and its need for Japanese investment and technology should lead Moscow to make efforts to resolve this

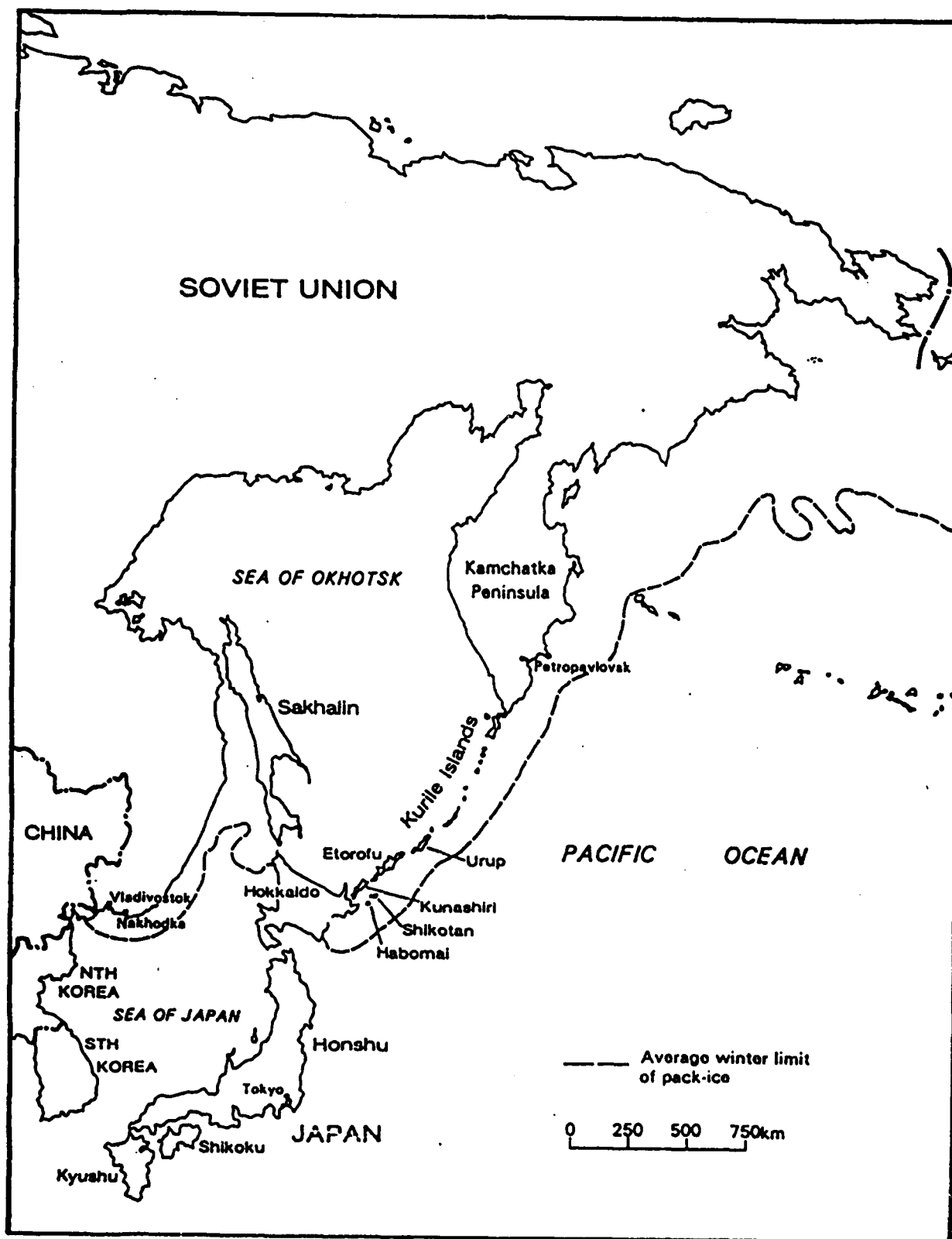
dispute. Assuming that is the case, two other solutions appear possible. One of these is to demilitarize the islands, with the Russians administering the islands until sovereignty is later determined in an international forum. Under this approach, Japanese citizens could freely visit the islands. The other possibility would be to turn the entire disputed territories into a joint economic zone where Russian citizens would remain and Japan and Russia would jointly exploit the islands' natural resources. Japanese capital, technology, and business practices and Russia's labor force would be the necessary ingredients for this venture to proceed. However, neither of these two solutions are likely to be acceptable to the Japanese. All other possible solutions include the Russians returning some portion of the islands to the Japanese. One possible scenario would be the return of Shikotan and the Habomais, the islands to which Russia has the weakest claim, with Russia retaining control of Kunashiri and Etorofu. But since Shikotan and the Habomais comprise only seven percent of the disputed lands,³³ this is also not the likeliest situation favorable to Tokyo. Still another possibility is the return of Shikotan and the Habomais, with the remaining territories being jointly managed or turned over to the UN for administration. This solution could offer the best hope for a compromise. Of course, the more territory each possible solution turns over to the Japanese, the less favorable it is to the Russians. The final prospect for a possible solution to this problem is the

outright sale of the disputed territories back to Japan. Hence, Japanese aggression in World War II (which got them into this predicament) will cost them now if they want to regain lost territory. This solution is not likely to receive favorable world opinion, and the disputing governments have not openly expressed pursuing this path to resolution. Thus, solutions to this difficult problem are varied.

Conclusion

From the historical perspective, political/strategic/economic constraints to progress, the impact of this dispute from the global outlook, and the possible solutions, it seems plausible that this problem can be solved in the near future. The most likely solution includes the Russians relinquishing at least Shikotan and the Habomais. Though Japan's aggression in World War II might invalidate their claim that Soviet aggression should be corrected, Russia's need for economic help should push them toward some flexibility in this dispute. Just as the Soviets entertained the prospect of returning Shikotan and the Habomais in the mid-1950s, in the mid-1980s, and early in Yeltsin's government, they should soon do so again. Before, Japan countered by promising to withhold any aid until the entire Northern Territories were returned. A recent move by the Japanese indicates they are flexing some on that stance--in September, 1992, they agreed to \$100 million in Russian humanitarian aid.³⁴ Though this is a small amount, it is progress. World stability could rest on the success of the current Russian government.

Japanese aid and investment will certainly assist toward that end. It is, therefore, crucial that Moscow and Tokyo settle this issue and sign a peace treaty. Japan and Russia need to look beyond their controversial territorial problems. Rather, they should devote their energies to building a cooperative relationship based on the broad outlook that should be expected of nations moving into the post-Cold War age. However, they will not get there without serious and direct US involvement. Though the US diplomatic agenda is loaded with the former Yugoslavia, the Middle East, and other crucial spots on the globe, the US must dedicate the resources to serve as a catalyst for moving negotiations forward and settling this important territorial dispute.



NOTES

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